MINUTES

JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES

November 20, 2008
Room 643, Legislative Office Building

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities and Substance Abuse Services (LOC) met on Thursday, November 20, 2008 in Room 643 of the Legislative Office Building. Members present were Senator Martin Nesbitt, Co-Chair; Representative Verla Insko, Co-Chair; Senators Austin Allran, Bob Atwater, Charlie Dannelly, and William Purcell and Representatives Jeff Barnhart, Beverly Earle, Bob England, Carolyn Justus, and Fred Steen. Advisory members Senator Larry Shaw, Representatives Van Braxton and William Brisson were also present.

Denise Harb, Ben Popkin, Gann Watson, Susan Barham, Joyce Jones and Rennie Hobby provided staff support to the meeting. Attached is the Visitor Registration Sheet that is made a part of the minutes. (See Attachment No. 1)

Representative Verla Insko, Co-Chair, called the meeting to order and welcomed members and guests. She asked for a motion to approve the minutes from the October 16, 2008 meeting. The motion was made and the minutes were approved. Representative Insko announced that the Governor's Transition Team would be discussing mental health on Monday, November 24th at Wake Community College.

Representative Insko was asked how the LOC planned to progress from now until session began, and what the overall goals of the LOC for this interim are. She replied that the committee would present a report to the General Assembly covering what the committee had done over the last year, and would also include recommendations for next year. Due to the transition, she said that the report might be delayed until February or March. It was noted that the LOC would probably have to meet during session in order to be able to continue to gather information for the report.

Dr. Shealy Thompson, Quality Management Team Leader for the Division of MH/DD/SAS, gave a recap of last month's LME performance measures matrix presentation, and reviewed a grid showing how the measures were created and calculated. (See Attachments 2a, 2b, and 2c) She said the matrix was a summary of State and LME performance on 21 different measures published quarterly. The numbers in green indicate that the statewide performance standards and the current statewide average have met, and where the standards have not been met, the numbers are in black. Dr. Thompson clarified that on some measures, LMEs should strive to have scores be below the standard (i.e., the standard is a maximum, or ceiling) and that on some measures, LMEs should strive to have scores above the standard (i.e., the standard is minimum, or floor). The measures where LMEs should be below the standard were: Effective use of State psychiatric hospitals; State psychiatric hospital readmissions; and child services in non-family settings. Members were pleased with the information but noted that the chart

did not include county dollar data. Dr. Thompson said the information would be available by the third quarter data. She said that LMEs can submit a request to be able to bill for services that are not in the statewide array of services.

Senator Nesbitt then asked Al Huntoon, owner of Catalyst Consulting Services, management consultant for Kenan Flagler Business School, and the managing director of the Mental Health Leadership Academy (MHLA), to address the committee. (See Attachment Nos. 3a and 3b) With Mr. Huntoon was James Johnson, Faculty Director. Mr. Huntoon said the Business School produced the statewide initiative to train senior staff at LMEs, community partners, and Division staff. The goal was to provide resources and expertise to the LMEs to help manage money, people, information and partnerships. He gave an overview of the last year at the Leadership Academy which included: what the goals were, the program design, the participants, the method for evaluation, and the findings. He said that 21 LMEs participated in the 3 seminars. At the end of the final session, each LME gave a presentation giving all an opportunity to learn from everyone else.

Three LMEs were present to address how MHLA had helped with their projects. Mike Watson from the Sandhills Center LME summarized his LME's Capstone Project. (See Attachment No. 4) Mr. Watson said the MHLA provided an excellent training opportunity, and an opportunity to look at particular issues in the community and tailor projects towards those issues. He explained how one of the projects, the Sandhills Center hospital transition program, had been successful. He gave a brief description of the program, the goals, and described the financial model. Mr. Watson said it cost about $700 per case and that the benefits translated into substantial savings; not being involved in a commitment process; savings in law enforcement costs; and emergency room costs. He said it was imperative to have a strong public/private partnership, appropriate funding, a good relationship with the hospitals, and strong providers.

Next, Don Scott from the Five County Mental Health Authority LME (FCMHA) summarized his LME's Capstone Project. (See Attachment No. 5) He explained that the FCMHA project came from a Local Business Plan goal to recognize and use consistently high performing providers through published performance criteria and outcomes. Mr. Scott said that for 2 years FCMHA had utilized quarterly a preliminary provider report card called the Provider Profile. He said the profile was a 17 indicator instrument that was expanded to 27 administrative and program indicators that gave a representation of overall performance. He reviewed the 4 core measures developed by FCMHA that would be of greatest usefulness to the public at-large. The measures were formed into questions that were included on the profile to provide a scoring system. Mr. Scott then reviewed the current and next steps for the Provider Profile and the Consumer Guide.

Finally, Anna North, Quality Improvement Director from Eastpointe LME, discussed her LME's Capstone project, the Walk-In Crisis Centers. (See Attachment No. 6) She said that Eastpointe first identified the need for emergency crisis response. She explained that the providers were chosen for each of the four county catchment area, and that all provided basic and enhanced services. She said that data indicated that people with mental health and substance abuse issues, in particular, where underserved and would go

to emergency rooms. Ms. North said that tele-psychiatry was in place so that each of the centers would have coverage if a psychiatrist was not available at a site. She said the goals for the project were to reduce bed day utilization, reduce the number of admissions to the hospital, increase the use of respite, increase the use of private hospitals, and increase the use of walk-in crisis facilities.

Members of the committee were impressed with the presentations and the fact that there were services provided in rural areas, and encouraged other LMEs to see if there was a comprehensive provider in each of their counties in order to provide a walk-in clinic. Senator Nesbitt asked staff to review the projects undertaken by the other LME participants and to consider whether these LMEs should present their projects at future LOC meetings. Members were interested in knowing how the MHLA was funded. Leza Wainwright, Co-Director of the Division of MH/DD/SAS, said that in the 2007 Appropriations bill the General Assembly directed the Department to identify the money for the project. The first year, the contract was funded by the Mental Health Trust Fund ($500,000) and this year other sources within the Division were used for just under $400,000.

Another suggestion by the committee was to have a system in place to bring LMEs together to share ideas and show them innovative programs around the state so that everyone will know what is working. It was also suggested that a website be established with reform ideas, new studies and categorize items as they are submitted. Also suggested was to eventually have a way for LMEs to evaluate providers.

Mr. Hank Debnam, Area Director of the Cumberland County LME began his presentation by providing statistical information about Cumberland County, and then addressed the successes, challenges and needs. (See Attachment No. 7) Several of the successes mentioned were: the establishment of a Crisis Intervention Team (CIT) program for local law enforcement personnel; the implementation of a System of Care for children; Cumberland was chosen as a site to expand substance abuse services for youth; and the expansion of housing resources for persons with disabilities. Some of the challenges noted were: no community based child or adolescent inpatient psychiatric services; recruitment and retention of psychiatrists; few private providers willing to offer services to military dependents due to reimbursement issues; limited providers to meet the needs of high risk consumers; penetration rates by Division do not reflect services to the military; and the significant impact on active duty, reservist and retired military and their families due to current military conflicts. Some of the needs mentioned were: stable funding; transportation resources for rural areas; and resources to meet the needs of relocating military families.

Mr. John Hardy, Area Director for Mental Health Partners (MHP) serving Catawba and Burke counties, discussed the importance of stability in the system and the importance of community relationships. (See Attachment No. 8) Mr. Hardy stressed the significance of having well trained law enforcement officers. He said law enforcement was a critical component and was often shortchanged in its ability to deal with those with mental illness. Mr. Hardy said MHP had invested efforts in the high risk environments of homeless shelters and jails. He brought to light the fact that unemployment in Catawba

and Burke counties was at 8.9% making it difficult for consumers with substance abuse or mental health issues to compete in a tight economy. He gave examples of how the system has worked but said that there were issues that needed to be examined. Mr. Hardy said there needed to be a standardized electronic medical record and a standard IT system. He also suggested that there needed to be more current regulations regarding guardianship.

After lunch, Leza Wainwright, Co-Director of the Division on MH/DD/SAS reported on the status of the special provisions funded in the 2008 budget. (See Attachment No. 9a) The first item covered was the array of crisis services. She said that funds were allocated to 17 LMEs to support 30 mobile crisis teams that would cover the entire state. She said that 19 were in operation, 3 would be operational by December, and the remaining 8 would be in operation by early 2009. Ms. Wainwright said that 6 LMEs were having their mobile crisis services managed by another LME. She said that some of the larger catchment areas had more than 1 crisis team. She also said that based on regional meetings held between the LMEs, hospitals, and the Division, there was the potential to have about 100 beds under contract within the next 60 to 90 days in all 3 regions. She added that the Department was working with the hospitals and LMEs to develop a tracking mechanism.

Regarding DD START, which is a crisis model for consumers with DD, Ms. Wainwright said that Western Highlands, the Durham Center, and East Carolina Behavioral Health, had been selected to provide DD Start. Dr. Joan Beasley, who created the START model, has been contracted to work with the LMEs. She added that respite beds had been identified in the Western and Eastern regions. Ms. Wainwright said that the funds for Walk-In Crisis had been allocated in October to the LMEs. She said the LMEs are working with providers to identify 60 possible locations by the first of the year, and then the Department would begin recruiting 30 new psychiatrists.

Ms. Wainwright then addressed the special provision from the 2008 Appropriation Act that directed DHHS to separate assessments from service authorization. She said the special provision required the modification of the person centered plan form so that the licensed clinician signing the form must attest whether he/she has actually seen the consumer and reviewed the assessment. The modification will be implemented on January 1, 2009. She also said that an outline of all the requirements had been issued to all the LMEs regarding the Medicaid Utilization Review function. The LMEs have received information on Value Options experience regarding the number of authorizations, the cost of those authorizations, etc., for consumers in their catchment areas. She said there would be a “Bidders conference” to address questions for any LME interested in applying. DMA and DMH will review the applications and notify LMEs of their decision by January 16. There will be an onsite visit and implementation would be July 1, 2009. She said that there were no start-up dollars appropriated for the LMEs.

Ms. Wainwright said that all of the LMEs were interested in pursuing a single statewide Medicaid waiver. She said the Department had committed to begin work in February with the LMEs to determine the best waiver for the 95 counties in North Carolina. (Piedmont Behavioral Health has the 1915b waiver for their 5 counties.) She said it would take a

significant amount of time to do the Medicaid Utilization Review but the plan was to do the waiver, which would be a multi-year process and UR at the same time.

Community Support was the last item covered by Ms. Wainwright. She said that the definition had been modified and that for the first quarter of the fiscal year, the expenditures were 50% less than the same quarter last year. She said that the tiered rates changes to the definition required federal approval and is currently under review by CMS. Ms. Wainwright was asked to provide a copy of the proposed budget cuts to the Department. She said the total reduction to the Division was approximately $25 million - $10 million from Community Services, $4.5 million from LME Administration, 2% for all State cross area service programs, $300,000 from the Central Office, $136,000 from Direct Service contracts and the balance from State facilities. Copies were provided to the committee for review. (See Attachment No. 9b)

Dr. James Osberg, Chief of State Operated Services for DHHS, gave an update on the State psychiatric hospitals. He first gave an update on the regulatory status of the hospitals.

- **Broughton Hospital:** Dr. Osberg reminded the LOC that Broughton hospital was recertified this summer by CMS. However, Dr. Osberg noted that after Broughton was originally decertified by CMS, the Joint Commission found a number of standards that were out of compliance and Broughton also lost its JCAHO accreditation. After appealing, Broughton was not able to attain enough standards to become JCAHO compliant. Currently, Broughton is working to see that they will be in compliance when they reapply in February with the Joint Commission.

- **Central Regional Hospital (CRH):** Dr. Osberg stated that both campuses of CRH (in Butner and at the former Dorothea Dix campus) are currently certified by CMS. He said that at a prior survey it was found that CRH did not meet some of the governance requirements on the merger of Dix and CRH due to the fact they were under one provider number. He said the survey agency was back this week doing a full survey, and that findings should be available soon. Once the governance issues are resolved, CRH will apply for Joint Commission accreditation. Dr. Osberg said patients would not be moved from Dix to CRH until all issues had been satisfied that were required by CMS and the Joint Commission. He said that opening the 60 Wake county beds was dependent on moving the Dix patients to CRH.

- **Cherry Hospital:** Dr. Osberg said they were working on the issues that led to the decertification from CMS in August. The Compass Group is working with Cherry hospital on systemic issues that need to be resolved prior to reapplying for participation in the CMS program. He said that there were a number of key goals that the Compass Group is working on such as a redesign of how services are delivered, and a cultural change – a comprehensive evaluation of the leadership team and having nursing supervisors for a ward of 24 beds on a 24/7 basis. He said that it was of utmost importance to provide safe and appropriate care. He said that 4 State level positions had been added and would be posted soon. These

people would be knowledgeable in regulatory items of the requirements of CMS and the Joint Commission. He said they would work with the facilities, and survey the hospitals unannounced and catch problems. Regarding the recent death of a patient at Cherry hospital, members expressed concern that a message needed to be sent to the employees, the families, and to the public, that neglect and abuse would not be tolerated. Dr. Osberg said that the SBI was investigating, and that they would determine if criminal charges were in order. He said that of the 16 individuals involved, some had been dismissed, some had resigned, and others were being retrained and going through reorientation for 60 days. They must also pass a competency test before being reassigned. He said there had been a cultural where abuse and neglect was tolerated. Abuse happened because it was difficult to document and prove. It was tolerated through threats and intimidation. He said that additional security for Cherry was being looked into so staff and patients would not feel or be intimidated. It was requested that documentation be provided at the next meeting indicating the turnover in direct care staff for each of the facilities. It was also suggested that better salary support would help to hire properly trained people, and that cameras may need to be monitored. Another recommendation was to place cameras in the DD centers as well as the hospitals.

In conclusion, Dr. Osberg added that a new facility was to begin construction in Goldsboro in June with a completion date of September, 2011. He also said that there would be 3 new facilities at Broughton that are currently under design that would be finished in September, 2012. Also mentioned was the fact that one of the initiatives for the year was to reduce the use of seclusion and restraint in State psychiatric hospitals and the State Alcohol and Drug Addiction Treatment Centers (ADATCs). A statewide conference to promote that effort will be held December 12th and 13th. He said it would be an opportunity for statewide facilities to develop plans that could be implemented for the reduction of seclusions and restraints.

The committee deferred until the December meeting three items from the November agenda: A presentation by Daniel Jones of Onslow-Carteret LME, Rose Burnett, Tiered Waiver Project Manager, DHHS, and a presentation by Dr. Dana Hagele, the Co-Director of the NC Child Treatment Program. There being no further business, the meeting adjourned at 3:45 PM.

_____ _____

Senator Martin Nesbitt, Co-Chair Representative Verla Insko, Co-Chair

_____

Rennie Hobby, Committee Assistant